

RECORDATION NO. 2230814  
JUL 30 1999 2:35 PM

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
918 SIXTEENTH STREET, N.W.  
SUITE 200  
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

20006-2973

OF COUNSEL  
URBAN A. LESTER

(202) 393-2266

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July 30, 1999

*Betty H. Jones*  
Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Agreement, dated as of July 30, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents, and a Memorandum of Collateral Assignment, dated as of July 30, 1999, a secondary document related thereto.

The names and addresses of the parties to the enclosed documents are:

Lessor/Assignor: Bank Austria Creditanstalt Holdings Corporation  
2 Greenwich Plaza  
Greenwich, Connecticut 06830

Lessee/Assignee: Progress Rail Services Corporation  
d/b/a Progress Rail Canada  
1000 Sherbrooke Street West, 24<sup>th</sup> Floor  
Montreal, Quebec Canada H3H 2R9

A description of the railroad equipment covered by the enclosed documents is:

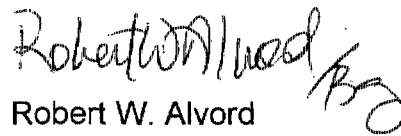
two hundred (200) railcars bearing SLGG reporting marks and road numbers 86100 through 86259, inclusive and 86300 through 86339, inclusive

Mr. Vernon A. Williams  
July 30, 1999  
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Also enclosed is a check in the amount of \$52.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,

  
Robert W. Alvord

RWA/bg  
Enclosures

REGISTRATION 2303-210

JUL 30 1999

2:35 PM

**MEMORANDUM OF LEASE AGREEMENT**

This Memorandum of Lease Agreement is made and entered into as of July 30, 1999, by and between BANK AUSTRIA CREDITANSTALT HOLDINGS CORPORATION (hereinafter referred to as "Lessor") and PROGRESS RAIL SERVICES CORPORATION d/b/a PROGRESS RAIL CANADA (hereinafter referred to as "Lessee"), respecting that certain Railcar Equipment Lease, dated as of July 30, 1999 (the "Lease"), and the Rider 1 thereto, dated July 30, 1999 ("Rider 1"), between Lessor and Lessee.

Pursuant to the provisions of the Lease and Rider 1, Lessor and Lessee hereby acknowledge and affirm that:

1. For good and valuable consideration, Lessor is leasing to Lessee and Lessee is leasing from Lessor 200'50'6", 100 ton Plate F, all steel boxcars with 10' Plug Doors and 15" end of car cushioning which are currently operating under SLGG reporting marks within the series 86100 to 86259 inclusive and 86300 to 86339 inclusive (the "Railcars").
2. The term of the Lease for any Railcar under Rider 1 shall commence on July 30, 1999 and shall terminate on June 30, 2006, provided that the Lease may be sooner terminated as provided therein.
3. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease Agreement is not a summary of either the Lease or Rider 1 nor a complete recitation of the terms and provisions thereof. Accordingly, Lessor and Lessee hereby agree that in the event of a conflict between this Memorandum of Lease Agreement and the provisions of the Lease or Rider 1, the provisions of the Lease or Rider 1, as the case may be, shall control.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Lease Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

LESSOR:

BANK AUSTRIA CREDITANSTALT  
HOLDINGS CORPORATION

By: [Signature]  
Name: M. Roy GOSSE  
Title: Vice President

By: [Signature]  
Name: LYNN M. SUSSNA  
Title: VICE PRESIDENT

LESSEE:

PROGRESS RAIL  
SERVICES CORPORATION d/b/a  
PROGRESS RAIL CANADA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF CONNECTICUT )  
 )  
COUNTY OF Fairfield ) SS:

On this 29<sup>th</sup> of July, 1999, before me personally appeared ROY GOSSE LYNN SUSSINA, to me personally known, who being duly sworn, says that he is a ~~VIC PRESIDENT~~ <sup>THEY ARE</sup> of BANK AUSTRIA CREDITANSTALT HOLDINGS CORPORATION, a Delaware corporation, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Virginia A. LaVersa  
Notary Public

[NOTARIAL SEAL]

My Commission Expires:

VIRGINIA A. LAVERSA  
NOTARY PUBLIC  
MY COMMISSION EXPIRES JAN. 31, 2001

STATE OF GEORGIA )  
 )  
COUNTY OF \_\_\_\_\_ ) SS:

On this \_\_\_\_ of \_\_\_\_\_, 1999, before me personally appeared \_\_\_\_\_, to me personally known, who being duly sworn, says that he is an \_\_\_\_\_ of PROGRESS RAIL SERVICES CORPORATION d/b/a PROGRESS RAIL CANADA, an Alabama corporation, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]

My Commission Expires:

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Lease Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

LESSOR:

BANK AUSTRIA CREDITANSTALT  
HOLDINGS CORPORATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

LESSEE:

PROGRESS RAIL  
SERVICES CORPORATION d/b/a  
PROGRESS RAIL CANADA

By: Michael V. Bombino

Name: Michael V. Bombino

Title: SRVP + CFO

STATE OF CONNECTICUT            )  
  )  
COUNTY OF \_\_\_\_\_        )       SS:

On this \_\_\_\_ of \_\_\_\_\_, 1999, before me personally appeared \_\_\_\_\_, to me personally known, who being duly sworn, says that he is a \_\_\_\_\_ of BANK AUSTRIA CREDITANSTALT HOLDINGS CORPORATION, a Delaware corporation, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

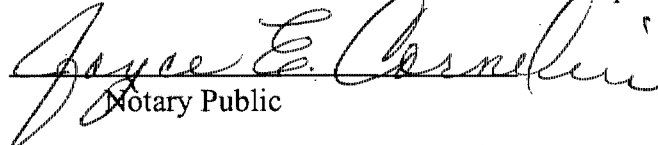
\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]

My Commission Expires:

STATE OF GEORGIA                )  
  )  
COUNTY OF Clayton        )       SS:

On this 30 of July, 1999, before me personally appeared Michael V. Bombardieri, to me personally known, who being duly sworn, says that he is an SRVP+CEO of PROGRESS RAIL SERVICES CORPORATION d/b/a PROGRESS RAIL CANADA, an Alabama corporation, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
Notary Public

[NOTARIAL SEAL]

Notary Public, Clayton County, Georgia  
My Commission Expires July 7, 2000

My Commission Expires: